

Testimony

Senate Bill 2004

Senate Appropriations Committee

Wednesday, January 12, 2005; 1:30 p.m.

North Dakota Department of Health

Introduction

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Terry Dwelle, and I am the State Health Officer of the North Dakota Department of Health. I am here today to testify in support of Senate Bill 2004.

Mission

The North Dakota Department of Health remains dedicated to the goal of ensuring that North Dakota is a healthy place to live and that each person has an equal opportunity to enjoy good health. To accomplish this mission, the department is committed to the promotion of healthy lifestyles, the protection and enhancement of the environment, and the provision of quality health-care services for the people of the state. In addition, the Department of Health focuses on the early detection of and response to disease outbreaks and other public health emergencies. The department advances its mission through facilitating local efforts, collaborating with our partners throughout the state, and providing expertise in developing creative public health solutions.

Department Overview

Public health affects the lives of every North Dakotan every day. Because of the efforts of public health, we breathe clean air and drink safe, sparkling water. Our garbage is picked up and disposed of properly. We can feel confident that the food we eat at restaurants is safe. Our parents and grandparents are cared for in quality nursing homes. Our children are immunized against many diseases that we hardly think about today but that struck fear into the heart of every parent just a few decades ago – diseases such as diphtheria, measles and polio.

As state health officer, I'm proud of the department's public health professionals and the work they do to safeguard the health of all North Dakotans. Consider just a few of the department's many accomplishments during the past two years:

- Responded promptly and effectively to disease outbreaks across the state, such as West Nile virus, whooping cough and tuberculosis.
- Maintained a 90 percent or higher rate of compliance with permit requirements in the air, waste, water discharge and public water supply programs.

- Worked with the city of Mandan to reach a \$30.25 million settlement with Burlington Northern Santa Fe Railroad to address diesel fuel contamination in downtown Mandan.
- Continued tobacco prevention efforts, including funding school and community tobacco prevention programs, employee cessation programs and a statewide tobacco quitline. Efforts such as these have resulted in a significant decline in the percentage of youth who are current smokers – from 41 percent in 1999 to 30 percent in 2003.
- Received recognition as one of only 14 states in the nation that meet all National Ambient Air Quality Standards.
- Focused on maintaining high childhood vaccination coverage; in fact, North Dakota has one of the highest childhood immunization rates in the nation.

Although our accomplishments are many, we know there still is much work to be done. In fact, many common health issues pose a great risk to the health and welfare of North Dakotans.

The leading causes of death in North Dakota are heart disease, cancer, chronic lung disease, accidents and diabetes. However, the real, underlying high-risk behaviors that cause disease and death are tobacco use, diet, inactivity and alcohol use.

If we can decrease the incidence of tobacco use, poor diet, inactivity and alcohol use – the high-risk behaviors associated with the real causes of disease – we can have a significant impact on the leading causes of death and illness in our state. The result to North Dakotans would be longer, healthier, happier lives.

Let's look at two of those high-risk behaviors:

- Adult smoking rates in North Dakota reached a high of 23.4 percent in 1996. In 2003, however, that number had declined to 20.5 percent. Unfortunately, the smoking rate for American Indian adults is about 46 percent, more than twice the rate of other adults in North Dakota. In addition, the rate for pregnant women in North Dakota is 17 percent, compared to 12 percent nationally. Although adolescent smoking rates have declined significantly from 41 percent in 1999 to 30 percent in 2003, we are still above the national rate of 21.9 percent. Smoking, the chief preventable cause of illness and death in our society, is associated with heart disease, cancer and chronic lung disease.
- In North Dakota, the number of overweight and obese adults increased from 57.1 percent in 1998 to 64.1 percent in 2003. The number of overweight adolescents increased from 6.7 percent in 1999 to 9.3 percent in 2003. Being overweight is epidemic in the United States and in North Dakota and is a major factor in the development of heart disease and diabetes.

Changing high-risk behaviors is at the heart of Governor Hoeven's *Healthy North Dakota* Initiative.

Today, *Healthy North Dakota* is composed of 19 committees and focus areas with more than 400 members that represent about 150 agencies, organizations and businesses across the state. This grass-roots effort is developing strategies to address health issues and to encourage comprehensive healthy lifestyles for all North Dakotans.

The governor's budget for the Department of Health includes \$517,000 for several new *Healthy North Dakota* initiatives aimed at addressing high-risk behaviors. This amount provides for two and one-half FTE, operating expenses and support for the following:

- Worksite Wellness Institute to assist businesses in establishing worksite wellness programs.
- Physical activity infrastructure to provide leadership and coordination for physical activity programs across the state.
- Healthy North Dakota Recognition Program to recognize schools, worksites and communities for their efforts to improve the health of their populations.
- Office of Special Populations to address health disparities among diverse populations in North Dakota.

Another initiative to address high-risk behaviors is the proposed addition of \$309,000 for the tobacco quitline to enhance and expand services and one FTE to assist with efforts to reduce tobacco use in the state. This funding would come from carryover and other cessation funding not accessed in the current biennium.

It is imperative that we continue our aggressive approach to reducing tobacco use in North Dakota. Tobacco use is devastating. For example:

- More than 860 North Dakotans die from causes attributed to smoking each year.
- Nationally, tobacco kills more people each year than the total number killed by AIDS, alcohol, motor vehicle accidents, homicide, illegal drugs and suicide combined.
- The U.S. Environmental Protection Agency has classified secondhand smoke as a "Group A" carcinogen – a substance known to cause cancer in humans.
- About 11 percent (\$37 million) of all Medicaid expenditures in the state are spent on smoking-related illnesses and diseases each year.
- Each year, tobacco use costs the state \$351 million in direct medical expenses and lost productivity; that's \$552 for each North Dakotan.

An overview of *Healthy North Dakota* and two *Healthy North Dakota* Highlights fact sheets with more information about smoking and diabetes are included in the Appendix to this testimony.

The financial consequences of behavior and lifestyle choices like tobacco use or physical inactivity are staggering. Individuals and the state bear the costs of these choices through lost productivity and higher health insurance costs, including higher Medicaid and Medicare costs. We urge you to fund the Department of Health initiatives

recommended by the governor. Doing so will enhance our efforts to safeguard the health of every North Dakotan.

With me today is Arvy Smith, Deputy State Health Officer, who will provide information about the programs and budget of the Department of Health. Several other members of the department's staff are also here to respond to any questions you might have.

Budget Overview

Good afternoon, Chairman Holmberg and members of the Committee. My name is Arvy Smith, and I am the Deputy State Health Officer for the North Dakota Department of Health. I am here today to provide an overview of the department's programs and budget. Following is a table comparing the department's original 2003-05 appropriation and the budget as recommended by the governor.

A summary by line item of the department's 2003-05 original appropriation compared to the governor's recommended 2005-07 budget is as follows:

| | 2003-05 Original Appropriation | 2005-07 Governor's Recommend. | Percent of 2005-07 Budget | Increase/ Decrease | Inc(/Dec) Percent |
|-----------------------------------|---|--|--|-------------------------------|------------------------------|
| Salaries & Wages | 29,972,929 | 32,816,481 | 26% | 2,843,552 | 9% |
| Operating Expenses | 24,151,257 | 25,322,640 | 20% | 1,171,383 | 5% |
| Capital Assets | 3,204,837 | 1,514,469 | 1% | (1,690,368) | -53% |
| Grants | 36,690,628 | 42,466,666 | 34% | 5,776,038 | 16% |
| Tobacco Prevention and Control | 7,783,097 | 8,689,062 | 7% | *905,965 | 2% |
| WIC Food Payments | 17,680,000 | 15,750,000 | 12% | (1,930,000) | -11% |
| Community Health Advisory | 100,000 | 0 | | (100,000) | -100% |
| Total | 119,582,748 | 126,559,318 | 100% | 6,976,570 | 6% |
| General | 13,101,092 | 14,439,108 | 11% | 1,338,016 | 10% |
| Federal | 92,793,771 | 98,428,077 | 78% | 5,634,306 | 6% |
| Special | 13,687,885 | 13,692,133 | 11% | 4,248 | 0% |
| Total | 119,582,748 | 126,559,318 | 100% | 6,976,570 | 6% |
| FTE | 312.5 | 317.0 | | 4.5 | 1% |

*Of this increase, \$804,000 resulted from the movement of 2003-05 appropriation authority from other line items to the Tobacco Prevention and Control line item and from 2001-03 carryover not included in the 2003-05 original appropriation amount.

The total budget for the North Dakota Department of Health recommended by the governor for the 2005-07 biennium is \$126,559,318. State general fund spending is \$14,439,108 or 11 percent – \$11 per capita per year – less than the cost of a flu shot. Federal funds are recommended at \$98,428,077 (78%), and special funds at \$13,692,133 (11%). FTE are recommended at 317.

The 2003-05 original appropriation for the Department of Health is \$119,582,748, with \$13,101,092 from the general fund and 312.5 FTE. Comparison of these figures to the 2005-07 recommended budget shows a total increase of \$6,976,570 or 6 percent, a general fund increase of \$1,338,016 or 10 percent, and an increase in FTE of 4.5 or 1 percent.

North Dakota has a network of 28 local public health units. Some of these are multi-county, some are city/county and others are single county health units. In addition,

many other local entities provide public health services, such as domestic violence entities, family planning entities, WIC sites, and natural resource entities. Of the department's total budget, \$61,040,413 or 48 percent is passed through to local entities to provide services. This figure includes \$42,466,666 in the grants line item, \$6,455,000 from the tobacco grants line item, \$10,696,947 in professional fees and \$1,421,800 in tobacco professional fees. Slightly more than \$24 million goes to local public health units and more than \$16 million goes to other local entities. The remainder goes to state agencies, medical providers, tribal units and various entities and individuals for scholarships.

Major changes to the department's budget are as follows:

Emergency Commission Requests:

| | |
|---------------------------------------|-----------|
| • State Planning Grant | 781,889 |
| • CDC Bioterrorism (mostly carryover) | 3,567,000 |
| • HRSA Bioterrorism | 3,100,000 |
| • Comprehensive Cancer | 300,000 |
| • Air Contaminant Fees | 208,000 |
| • Epidemiology & Lab Capacity (ELC) | 1,200,000 |
| • Safe Havens Supervised Visits | 800,000 |
| • Grants To Encourage Arrest | 265,000 |
| • Brownfield Response Program | 500,000 |

Capital Projects Changes

| | |
|-----------------------------------|-------------|
| • Carryover of Building Project | 2,693,464 |
| • Completion of building projects | (4,718,329) |
| • Bond Payment Increase | 297,077 |

ITD Data Processing Changes

| | |
|--|---------|
| • Connect ND Costs | 113,696 |
| • Increased Ongoing Data Processing Costs | 76,468 |
| • Increased Costs for Health Alert Network | 633,484 |
| • Increased Costs for the WIC MIS Project | 162,800 |

Completed Computer Projects (ITD Consultant)

| | |
|---|-------------|
| • Disease Surveillance and Pharmaceutical Tracking System | (1,527,577) |
| • Local Public Health Units Infrastructure for HAN | (800,930) |
| • SNS Delivery and Inventory System | (406,838) |

| | |
|---|-------------|
| Salary Package | 2,022,261 |
| Miscellaneous Salary Adjustments (2003-05 Biennium) | 287,959 |
| Healthy North Dakota (2.5 FTE \$264,474) | 500,000 |
| Increase of FTE for the Tobacco Program | 105,000 |
| Tobacco Quitline Increase | 204,000 |
| Decrease in Tobacco Cessations Programs | (309,000) |
| Decrease in the State Planning Grant Project | (719,056) |
| Food & Lodging FTE (Net underfunding of \$58,612) | 55,688 |
| Reduction of WIC Food Payments | (1,930,000) |
| Building Rental increase | 96,544 |

| | |
|--|-------------|
| Increase in the One Stop Grant Program | 478,753 |
| Decrease in CDC Bioterrorism (Health Hot Line) | (1,823,064) |
| Increase in HRSA Bioterrorism Funding | 522,355 |
| Data Warehouse Program | 226,400 |

The capital assets included in Senate Bill 2004 include only equipment greater than \$5,000, bond payments, and a minor amount of extraordinary repairs. The building projects you approved last session are all nearly completed. The addition to the lab using carryover funds from last biennium was completed this past summer; the remodel to the lab will be complete this month; the cold storage unit was complete several months ago; and the morgue will be complete by March. No additional capital projects are requested for the next biennium. On behalf of the staff and Dr. Dwelle, I would like to thank you and the governor for allowing us to improve our facilities. With declining CDC bioterrorism funding, it was a good decision to use that funding source on one-time expenditures such as the lab remodel.

The changes in the salaries line, aside from the governor's salary package and new FTE, reflect workload and equity adjustments made by the department during the biennium, as well as normal fluctuations due to staff turnover and replacement of staff at higher or lower salaries. Salary levels are a major issue for the Department of Health. We are starting to feel the effects of salary levels through difficulties in hiring. Some important highlights with regard to salary levels in the department are as follows:

- In many cases, our state employee salaries are less than those of our counterparts in city and county government.
- In at least four cases, salaries are as much as \$1,000 per month less than other states in the region.
- In six classifications, we rank last among other states and our salary is at least \$7,000 per year less than the next lowest state.
- Department personnel have to build in 3 percent to 5 percent annual salary increases for contracts with local entities while they themselves have gone without an increase this current biennium.
- Although 22 percent of our employees have master's or doctorate degrees, only 8 percent of our employees earn more than \$4,000 per month.

Although the governor's 4 percent per year salary package is a step toward addressing compensation issues, our employees are paid an estimated 20 percent below market. In fact, the 2004 State Employee Compensation Report indicates that many Department of Health employees are paid between 49 percent and 59 percent below market. We hope the governor's \$5 million funding for equity increases will be available to assist us in lessening the gap.

Senate Bill 2004 contains an appropriation of \$6,610,000 from the Community Health Trust Fund. This is an increase of only \$46,000 due to an increase in the dental loan program and the governor's salary package. With regard to tobacco programs, we have

shifted funding that isn't being accessed from cessation programs to the Tobacco Quitline, where we are seeing some very positive results. Since its implementation in late September 2004, the Quitline has received about 50 calls per week. In addition, 120 people enrolled in tobacco cessation counseling as a result of the Quitline during the first 12 weeks of operation.

The governor provided a new FTE in the Food and Lodging area to assist us in doing more inspections. We currently are able to inspect high-risk entities only once per year, while the federal government recommends inspections at a minimum of two to three times per year based upon the risk level of the establishment. In addition, a new federal mandate from the U.S. Department of Agriculture (USDA) will require two inspections per year in schools beginning in the 2005-2006 school year. In the proposed budget, the program is underfunded by about \$58,000, which will require us to delay hiring the new position.

The building rental increase is a result of discontinuing our leases at the Missouri Office Building (MOB), the White House and Northbrook Mall. We will start a new lease of the Gold Seal Building for Environmental Health and Emergency Preparedness and Response (EPR) effective January 1, 2006. There are safety issues at the Missouri Office Building, mostly due to overcrowding. The Office of Management and Budget recommends 300 gross square feet per person, while the MOB and White House are at less than 200 gross square feet per person. The new lease allows us to consolidate EPR staff from three to one location and Environmental Health staff from three to two locations.

The data warehouse program allows us to develop a repository of data that would be available to users for a variety of analysis, including quality of care, marketing, utilization, cost analysis, access to care, assessment of unmet need and measurement of health status. The request allows the department to obtain, manage and put data into useable forms. The data warehouse program would be funded through revenue generated by fees collected pursuant to NDCC 23-01.1-06.

Budget by Section

As the attached organization chart shows, the department's budget is organized by six sections, as follows:

| | | |
|-------------------------------------|----------------------|------------|
| Administrative Support | \$ 9,956,813 | 8% |
| Community Health | \$ 50,941,475 | 40% |
| Emergency Preparedness and Response | \$ 9,395,191 | 7% |
| Medical Services | \$ 12,782,144 | 10% |
| Health Resources | \$ 9,559,348 | 8% |
| <u>Environmental Health</u> | <u>\$ 33,924,347</u> | <u>27%</u> |
| Total | \$126,559,318 | 100% |

I would like to point out that the Emergency Preparedness and Response Section includes only the three FTE and related expenditures for the state administration and the contracts for regional administration. There are several departmental functions in other sections of the budget paid for with emergency preparedness and response funding. Since they are portions of expenditures related to the activities of these sections, it would be difficult to separate such expenditures and reflect them in the Emergency Preparedness and Response Section budget.

Administrative Support Section

I serve as the Section Chief of the Administrative Support Section, which provides services to support the department's various activities and programs. Within Administrative Support are the Division of Accounting, the Office of Public Information, the Information Technology Coordinator, the Division of Vital Records, the Division of Human Resources, the Division of Education Technology, and the Public Health Liaison.

The Division of Accounting is responsible for:

- Preparing and monitoring the biennial budget.
- Supervising and administering fiscal transactions.
- Providing accounting, financial reporting and control systems to comply with state and federal requirements.
- Assisting division and program directors in monitoring federal grant expenditures.
- Administering payroll functions.

The Office of Public Information supports the department's communication of public health information to the citizens of North Dakota. Responsibilities of the office include:

- Coordinating media relations.
- Preparing newsletters and other publications.
- Releasing information through the media.
- Coordinating the public information component of the state's Emergency Preparedness and Response Program.

The Information Technology Coordinator is responsible for:

- Providing leadership and coordination for information technology issues that affect the department, such as HIPAA (Health Insurance Portability and Accountability Act), data management, and hardware and software purchases.
- Developing and monitoring the department's Information Technology Plan and budget.
- Providing technology support to several divisions of the department.

The Division of Vital Records is responsible for:

- Maintaining a system to register all vital records – including birth, death, fetal death, marriage and divorce – and to issue certified copies of the records as requested by the public.
- Tabulating, analyzing and publishing data derived from the records as required by North Dakota Century Code 23-02.1 and as requested.

The Division of Human Resources provides a variety of services to the Department of Health, including:

- Recruiting and training employees.
- Classifying positions.
- Administering salaries.
- Developing policies.

The Division of Education Technology develops and delivers public health information and education through a variety of technologies. The division:

- Provides learning opportunities for public health professionals, as well as access to health information for the general public.
- Distributes emergency and non-emergency health messages through the Health Alert Network.
- Uses video-based training programs, Internet-based training and disseminating of health alert messages to health-care providers and the general public through web pages, e-mail, faxes and telephone and pager systems.
- Is developing a partnership with the University of North Dakota and the University of Minnesota to provide academic public health education through distance learning technologies.

The Public Health Liaison acts as liaison between the Department of Health and local public health units and other key public and private partners. Responsibilities include:

- Administering the State Block Grant, which provides funding to local public health units.
- Advising the State Health Officer about issues related to local public health.
- Assisting in response to public health units during infectious disease outbreaks and natural disasters.
- Linking local public health units to department programs and staff.

Several executive office functions also are included in the budget for the Administrative Support Section. They are *Healthy North Dakota*, which Dr. Dwelle described earlier; the Public Health Training Center; and the Research Epi Center.

The Public Health Training Center – a cooperative effort among the Department of Health, the University of North Dakota and the University of Minnesota – is designed to improve public health practice in the state through advanced public health education. Approved applicants receive scholarships through the U.S. Centers for Disease Control and Prevention Bioterrorism Preparedness and Response Grant.

The Research Epi Center is a joint project between the Department of Health and the University of North Dakota designed to improve utilization of health data. Goals include compiling county-specific health data and analyzing the health status of certain vulnerable populations in the state.

Administrative Support Section Budget

The major expenditures in Administrative Support are as follows:

| | |
|---|------------------|
| Salaries and Wages for 38.05 FTE | 4,187,215 |
| IT Data Processing | 890,523 |
| Professional Services | 1,108,301 |
| Remaining Operating Expenses | 968,539 |
| Capital Assets | 52,000 |
| Operating Costs and Grants for Healthy North Dakota | 235,526 |
| Grants to Local Public Health Units | 1,100,000 |
| Grants for Bioterrorism Training | 300,000 |
| Grants to Local Public Health Units for HAN | 584,692 |
| Grants to Local Public Health Units for Public Information Officers | 530,017 |
| Total Budget | 9,956,813 |

The funding sources for Administrative Support are as follows:

| | |
|------------------------------------|------------------|
| General | 3,782,385 |
| Federal | |
| Multitude (Indirect Cost) | 1,170,450 |
| Preventive Health Block | 542,326 |
| Bioterrorism (CDC) | 3,430,148 |
| Miscellaneous | 678,104 |
| Other | |
| Data Analysis Collection Fees | 352,400 |
| Environmental Health Practitioners | 1,000 |
| Total Budget | 9,956,813 |

Community Health Section

The Section Chief of the Community Health Section is Dr. John Joyce. The section's goal is to improve the health of North Dakota citizens by working actively to promote healthy behaviors and to prevent disease and injury. This section administers programs addressing the high-risk behaviors that cause disease, to which Dr. Dwelle referred in his introductory remarks. The Community Health Section is funded through grants from the U.S. Centers for Disease Control and Prevention, the U. S. Health Resources and Services Administration and the U.S. Department of Agriculture, as well as through special funds from the Tobacco Master Settlement Agreement. The section is composed of six divisions: Tobacco Prevention and Control; Cancer Prevention and Control; Injury Prevention and Control; Family Health; Chronic Disease; and Nutrition and Physical Activity.

The Division of Tobacco Prevention and Control is responsible for programs and services that focus on tobacco-free lifestyles and that work to reduce disease, death and disability related to tobacco use. Tobacco Prevention and Control activities are targeted to all 53 counties, four Indian reservations and one Indian service area. In the current biennium, with special funds from the Tobacco Master Settlement Agreement, all 28 of the state's local public health units receive funding for tobacco prevention and control and cessation activities.

As a result of Tobacco Prevention and Control efforts:

- More than 50 percent of North Dakotans live in communities where local ordinances protect youth from easy access to tobacco.
- Each year, more citizens are protected from exposure to secondhand smoke through tobacco-free policies in worksites, restaurants and public places.
- Smoking policies at the worksite protect 81 percent of North Dakota workers.
- In 2004, tobacco prevention services were provided to more than 28,017 students, and more than 1,113 individuals received tobacco cessation counseling.
- The percentage of adults who are current smokers has declined from 23.2 percent in 2000 to 20.5 percent in 2003.
- The percentage of youth who are current smokers declined significantly from 41 percent in 1999 to 30 percent in 2003.

The Division of Cancer Prevention and Control works to increase cancer prevention and awareness by collecting and reporting quality data, providing public and professional education, and ensuring availability of quality services.

- The Comprehensive Cancer Control Planning Program is working with more than 40 partners to create a coordinated statewide cancer control plan and to assemble available resources to carry out the plan.
- To create an overall picture of cancer in the state, the Cancer Registry collects cancer incidence, survival and mortality data to assist in the development of cancer education, prevention, screening and treatment programs. Between 1997

and 2002, more than 22,500 incidences of cancer were diagnosed and reported to the registry.

- The *Women's Way* program works to reduce breast and cervical cancer deaths by increasing screening among women ages 40 to 64 who are under- or uninsured, and whose income is at or below 200 percent of the federal poverty level. Through the program, screening services have been provided to more than 6,700 women in North Dakota by local hospitals, clinics, Indian Health Service facilities and public health agencies. Thirteen percent of the women served are American Indian. Since September 1999, 85 breast cancers and 555 cervical dysplasias and cancers have been diagnosed. Through the special Medicaid breast and cervical cancer treatment program, 97 women have received services since July 2001.

The Division of Injury Prevention and Control administers programs to reduce the frequency and severity of intentional and unintentional injuries to North Dakotans. Programs within the division include:

- Injury Prevention Program – Promotes prevention of injuries through projects on seat belts, child passenger safety, bike helmets, home and product safety, poison control, suicide prevention and other injury-specific topics.
- Injury Surveillance – Identifies, develops and analyzes data sources to assist in the development of injury intervention initiatives and in the creation of a data-based state injury plan.
- Domestic Violence/Rape Crisis – Provides grants to domestic violence/rape crisis, law enforcement, judicial, and prosecutorial agencies to reduce and prevent violence against women.
- Lead Program – Maintains surveillance of reported childhood blood lead results and provides assistance for follow-up on elevated cases.

In 2003:

- Nineteen domestic violence/rape crisis agencies served 797 primary victims of sexual assault; 4,041 new victims of domestic violence and 4,419 children were impacted by domestic violence.
- The Injury Prevention Program provided 3,000 bike helmets and 2,294 car safety seats, and inspected 849 car seats for proper use. Car seat training was provided to 173 health and safety professionals. The program provided educational contacts with 26,995 children during Child Passenger Safety Week.
- Poison consultation was provided on 3,747 poison exposure cases in North Dakota, and poison information was given to 1,507 individuals on non-exposure inquiries through the National Poison Control Crisis Line.

The Division of Family Health administers state and federal programs designed to improve the health of North Dakota families. The division provides funding, technical assistance, training, needs assessment, educational materials and other resources to local

public health units, schools and other public and private entities that offer health services in North Dakota communities.

Programs and services include:

- Abstinence Education Program – Promotes the health of youth through abstinence-only education.
- Child and Adolescent Health Services – Provides consultation and technical assistance to state and local agencies and school nurses to promote the health of children and adolescents.
- Coordinated School Health Program – Provides a framework for schools to use in organizing and managing school health initiatives.
- Early Child Comprehensive Systems – Supports collaborations and partnerships that support families and communities in their development of children who are healthy and ready to learn at school entry.
- Family Planning Program – Offers education, counseling, exams, lab testing, infertility services and contraceptives.
- Newborn Screening Program – Identifies infants at risk and in need of more definitive testing to diagnosis and treat affected newborns.
- Optimal Pregnancy Outcome Program – Provides nursing, social and nutritional services to pregnant women.
- Oral Health Program – Provides prevention education, screening and consultation and administers school fluoride programs.
- Pregnancy Risk Assessment Monitoring System – Surveys new mothers about their experiences during and after pregnancy to help North Dakota improve maternal and infant health care.
- State Systems Development Initiative – Assists the division in conducting needs assessment and collecting data for program evaluation.
- Sudden Infant Death Syndrome Program – Provides support, education and follow-up to those affected by a sudden infant death.
- Women’s Health Services – Coordinates with other state and local agencies to promote women’s health.

In 2003:

- The maternal and child health programs provided services to 5,486 pregnant women, 7,664 infants, and 73,854 children and adolescents.
- The Coordinated School Health Roughrider Health Promotion Conference impacted 127,783 students, 26,658 staff and 83,882 community members.
- Family planning services were provided to 14,300 women and 838 men. Of those family planning recipients, 7,165 were at or below 100 percent of poverty.
- Fluoride programs served 4,490 students living in fluoride-deficient areas.

The Division of Chronic Disease works to improve the health and quality of life for North Dakotans who have chronic diseases by promoting healthy behaviors, supporting health-care improvement measures, developing community policies and practices, and increasing disease risk awareness.

- Cardiovascular disease is the leading cause of mortality, accounting for 35 percent of deaths in North Dakota. The Cardiovascular Health Program partners with communities to limit disability and death related to heart disease and stroke by targeting high blood pressure, high blood cholesterol, tobacco use, physical inactivity, poor nutrition, overweight and obesity.
- In 2003, diabetes affected 6.2 percent of North Dakota citizens and their families, up from 3.6 percent in 1994, for an increase of 72 percent over the past 10 years. The Diabetes Prevention and Control Program concentrates on diabetes prevention, early diagnosis and disease management to reduce the burden of the disease and its related complications, such as heart and kidney disease and amputations.

The Division of Nutrition and Physical Activity promotes healthy eating and physical activity in order to prevent and reduce overweight, obesity and related chronic diseases.

- The Maternal and Child Health Nutrition Program provides technical assistance, plans nutrition programs and coordinates nutrition-related activities. Currently, 17 nutritionists at local public health units throughout the state participate in *Healthy North Dakota* and work on issues directed toward healthy weight for children and adolescents through the promotion of increased fruit and vegetable intakes (like 5 A Day) and increased physical activity.
- The Supplemental Nutrition Program for Women, Infants and Children (WIC) provides healthy food for proper growth, education about choosing healthier ways of eating, and referrals to other needed services. In 2004, North Dakota WIC served more than 24,400 eligible pregnant, breastfeeding and postpartum women; infants; and children younger than age 5 in all North Dakota counties. Funded by the U.S. Department of Agriculture, the WIC program also receives approximately \$1.4 million in rebates from infant formula purchased with WIC vouchers. Most WIC funds (more than 93 percent) are spent at the local level, with 70 percent of the dollars spent on food for at-risk clients and 23 percent for support of local administering agencies.

Dr. Joyce's position as Section Chief is budgeted at .25 FTE. At 25 percent time, Dr. Joyce is able to provide leadership and medical consultation to the section. The section's six division directors provide administrative functions for the section on a rotating basis.

Community Health Section Budget

The major expenditures in Community Health Section are as follows:

| | |
|--|-----------|
| Salaries and Wages for 37.7 FTE | 3,307,335 |
| IT Contractual (WIC Management Information System) | 673,082 |
| BC/BS Breast & Cervical Cancer Exams | 943,000 |
| Professional Services (various program contracts) | 3,125,350 |

| | |
|--|-------------------|
| Professional Supplies | 607,232 |
| Remaining Operating Expenses | 1,345,064 |
| Grants to Local Public Health Units (MCH & FP) | 4,056,000 |
| Grants to Local Public Health Units (WIC) | 5,326,150 |
| Grants to Local Public Health Units (Cancer) | 1,160,000 |
| Grants to Domestic Violence Sites | 5,188,000 |
| Miscellaneous Grants | 771,200 |
| WIC Food Payments | 15,750,000 |
| Tobacco Program | 7,805,062 |
| Tobacco Quit Line | 884,000 |
| Total Budget | 50,941,475 |

The funding sources for Community Health Section are as follows:

| | |
|---|-------------------|
| General | 887,280 |
| Federal | |
| WIC | 22,703,091 |
| MCH Block | 2,758,610 |
| National Cancer Prevention | 4,160,843 |
| Chronic Disease Prevention and Health Promotion | 2,671,690 |
| STOP Violence Against Women | 1,897,420 |
| Family Violence | 1,501,806 |
| Family Planning | 2,244,352 |
| Various Other | 5,580,383 |
| Other | |
| Community Health Trust Fund | 6,190,000 |
| Domestic Violence Fund | 280,000 |
| American Legacy | 66,000 |
| Total Budget | 50,941,475 |

Emergency Preparedness and Response Section

The Section Chief of the Emergency Preparedness and Response (EPR) Section is Tim Wiedrich. The EPR Section is responsible for improving and maintaining public health response to disasters and large scale emergencies. While the overall goal is to prepare public health responses for all hazards, the section currently is concentrating on the development of infrastructure to detect and respond to acts of bioterrorism. Future activities will improve public health infrastructure for the detection and mitigation of chemical threats, naturally occurring phenomena such as tornadoes and floods, and other disasters and emergencies.

The section is funded through grants from the Centers for Disease Control and Prevention (CDC) and the Health Resources and Services Administration (HRSA). The section accomplishes its mission through planning, developing bioterrorism detection systems, creating laboratory capacities, developing communications systems, supporting public information systems and providing training opportunities. Additional activities include the assessment of hospital capacity to receive and treat patients involved in a bioterrorism event and the creation of hospital resources that can receive and treat unusually large numbers of patients.

The Emergency Preparedness and Response Section is developing infrastructure to meet CDC and HRSA requirements through the cooperation of a large group of stakeholders, including an EPR Committee comprised of the following subcommittees: Preparedness Assessment, Planning and Response; Surveillance and Epidemiology; Laboratory Capacity – Biologic Agents; Laboratory Capacity – Chemical Agents; Health Alert Network; Public Information; Education and Training; and Hospital Surge Capacity.

The EPR Section and local public health units have established eight EPR regions. Each of these regions has a lead local public health unit, an EPR coordinator, a public information officer and other resources for the development of local and regional EPR plans. The section works closely with the eight regions, the private medical sector, and public safety and emergency management officials to develop integrated, coordinated public health response systems.

Emergency Preparedness and Response Section Budget

The major expenditures in Emergency Preparedness and Response are as follows:

| | |
|--|------------------|
| Salaries and Wages for 3.5 FTE | 394,829 |
| Professional Services | 615,000 |
| Remaining Operating Expenses | 298,568 |
| Grants to Local Health Units for Regional Coordinators | 3,893,169 |
| Grants to Hospitals | 3,685,000 |
| Other Grants | 508,625 |
| Total Budget | 9,395,191 |

The funding sources for Emergency Preparedness and Response are as follows:

| | |
|------------------------|------------------------|
| Federal (Bioterrorism) | |
| CDC Bioterrorism | 4,802,836 |
| HRSA Bioterrorism | 4,592,355 |
| Total Budget | <hr/> 9,395,191 |

Medical Services Section

The Section Chief of the Medical Services Section is Dr. Craig Lambrecht, whose position is budgeted at .25 FTE. At 25 percent time, Dr. Lambrecht provides leadership and medical consultation to the section.

The goal of the Medical Services Section is to promote health and prevent illness and disease. The section includes the Field Medical Officers, the Office of the State Forensic Examiner, the Division of Disease Control and the Division of Microbiology.

Field Medical Officers

The Field Medical Officers provide medical consultation and direction to programs throughout the Department of Health, including those that deal with the environment, wellness, health resources, communicable diseases and immunizations.

Office of the State Forensic Examiner

The State Forensic Examiner provides medical examiner services and assists in death investigation throughout the state. The Forensic Examiner's goal is to provide vital information needed by county coroners, law enforcement, public health units, other agencies, and families of the deceased.

The Office of the State Forensic Examiner assists in the investigation of sudden and unexpected deaths that occur throughout the state. The office becomes involved with a death investigation upon request from the county coroner in the jurisdiction where the death occurred. About 200 cases each year are referred to the State Forensic Examiner, representing about 20 percent of county coroner investigations.

Other functions of the office include:

- Providing consultations to county coroners about how to handle deaths that occur in their jurisdictions.
- Providing death investigation training, seminars and lectures to improve death investigation throughout the state.
- Serving on the Child Fatality Review Committee.
- Supporting organ-procurement activities on cases referred to the office.
- Providing expert witness testimony for cases that involve criminal or civil proceedings.

Division of Disease Control

The Division of Disease Control is responsible for identifying diseases, providing follow-up and implementing intervention activities to reduce illness and death. The division also provides resources for health-care providers and the public concerning

public health issues and coordinates with the media to provide timely public education. Division programs include HIV/AIDS Prevention, Ryan White (HIV) Care, Tuberculosis (TB) Prevention, Sexually Transmitted Disease (STD) Prevention, Immunization Services and the Epidemiology and Laboratory Capacity program.

The division performs the following functions:

- Analyzes disease cases and reports to the national Centers for Disease Control and Prevention (CDC).
- Responds to public health emergencies and disease outbreaks and provides a toll-free 24-hour consultation line for health-care providers and the general public.
- Provides free TB medications, TB testing materials, STD medications in certain situations and childhood vaccines throughout North Dakota.
- Maintains the North Dakota Immunization Information System to record vaccination status of individuals.
- Administers HIV/AIDS programs that provide financial assistance for prescription drugs, outpatient medical care, continuation of insurance, referral and social assistance for people infected with HIV.
- Provides free HIV testing for people at risk of contracting the disease.
- Coordinates surveillance and follow-up of West Nile virus cases with the State Veterinarian, the Division of Microbiology and local public health units.

Division of Microbiology

The Division of Microbiology provides state-of-the-art laboratory testing of biological diseases and agents to physicians, veterinarians, clinics, hospitals, local health units, other interdepartmental and state agencies, communities and the general public.

The Division of Microbiology is the state's only designated confirmatory testing laboratory in the National Laboratory Response Network. With this designation, the laboratory provides specialized testing for many new and emerging infectious diseases and possible bioterrorism agents. The division conducted 7,491 tests for pertussis during 2004. The division also serves as a regional reference laboratory for vaccine preventable diseases – such as measles, mumps and rubella – and is the state's central biological laboratory and certifying agency for the Food and Drug Administration and Environmental Protection Agency programs. The division maintains an active mosquito surveillance program.

Examples of services provided include:

- Water and dairy analysis.
- Testing for HIV, chlamydia and other sexually transmitted diseases.
- Identification of tuberculosis infections.
- Rabies analysis for human exposure.

Medical Services Section Budget

The major expenditures in Medical Services Section are as follows:

| | |
|--|-------------------|
| Salaries and Wages for 47.25 FTE | 4,827,232 |
| IT Contractual (disease surveillance & pharmaceutical tracking systems) | 367,000 |
| Professional Services | 1,159,085 |
| Medical Supplies, Vaccines, Medications | 2,625,078 |
| Remaining Operating Expenses | 1,704,581 |
| Equipment over \$5,000 | 276,000 |
| Bond Payments | 399,265 |
| Grants to Local Public Health Units (Disease Control) | 1,009,840 |
| Grants to Board of Animal Health | 414,063 |
| Total Budget | 12,782,144 |

The funding sources for the Medical Services Section are as follows:

| | |
|-----------------------------------|-------------------|
| General | 2,945,389 |
| Federal | |
| HIV | 1,649,440 |
| Immunizations | 2,449,189 |
| Bioterrorism (CDC) | 2,292,360 |
| ELC (Epidemiology & Lab Capacity) | 1,253,328 |
| Various Other | 1,789,229 |
| Other | |
| Lab Fees | 403,209 |
| Total Budget | 12,782,144 |

Health Resources Section

Darleen Bartz is Section Chief of the Health Resources Section. The Health Resources Section consists of three divisions: Health Facilities, Emergency Medical Services, and Food and Lodging. All three divisions work to promote quality care and services for the people of North Dakota.

The Division of Health Facilities is responsible for conducting state licensure and federal Medicare and Medicaid inspection activities of health-care facilities.

State licensure and federal certification responsibilities of the division include:

- Forty-seven acute care hospitals (30 of which are critical access hospitals, which allows more flexibility and better funding for providing basic hospital services in rural areas).
- Eighty-three skilled nursing facilities.
- Twenty-eight licensed home health agencies, 26 of which are certified.
- Sixteen hospice programs that provide end-of-life care to residents in a manner that preserves their dignity.
- Fifty-three basic care facilities.
- Sixty-two rural health clinics.
- Sixty-eight intermediate care facilities for the mentally retarded.
- Two renal transplantation centers and 15 end-stage renal dialysis facilities, which help people who have kidney impairment to live normal lives.
- Seventeen ambulatory surgical centers for provision of surgical services to patients who do not require hospitalization.
- Five hundred and nine laboratories to ensure compliance with the federal Clinical Laboratory Improvement Amendments of 1988.

In addition, the division:

- Certifies outpatient physical therapy and speech therapy providers.
- Licenses electrologists and electronic hair removal technicians.
- Operates the Federal Medicare & Medicaid Nurse Aide Registry, which includes investigations of possible resident abuse in nursing facilities. More than 10,000 certified nurse aides are registered in North Dakota.
- Provides technical assistance to communities to help them maintain their health-care infrastructure, including management of the dental loan, physician loan, and nursing scholarship programs.

The Division of Emergency Medical Services is responsible for maintaining an efficient statewide emergency medical services system. This is accomplished through training and licensure of emergency health personnel, ambulances and quick response units.

The Division of Emergency Medical Services:

- Authorizes initial and refresher courses for first responders and emergency medical technicians and provides testing for about 600 individuals annually.
- Licenses and inspects 143 ground ambulance services, as well as four air ambulance services and 61 quick response units.
- Operates the trauma system, which designates hospitals as trauma centers.
- Houses the Emergency Medical Services for Children Program, which emphasizes patient care education, standards and protocols, injury and suicide prevention, and data analysis.
- Distributes education grants to ambulance services staffed by volunteers.

The Division of Food and Lodging is responsible for protecting public health through annual licensing and inspection of restaurants, hotels, motels, bars, mobile home parks, trailer parks, campgrounds, bed and breakfast facilities, retail food stores, meat markets, bakeries, food manufacturers and assisted living facilities.

The Division of Food and Lodging:

- Either directly or through memorandums of understanding with seven local health units, annually inspects and licenses more than 4,000 facilities. Inspection procedures ensure that these licensed facilities meet both sanitation and fire/life safety standards before opening to the public and while in operation.
- Emphasizes food-safety education because food-borne illnesses strike nearly 80 million people in the United States every year, causing 5,000 needless deaths.
- Serves as the Food and Drug Administration's liaison in the state on issues related to manufactured food and pesticide residues in food.
- Inspects preschools, childcare centers and schools that prepare food. Currently, the division does not charge a fee for these inspections.

In addition, during the current biennium, the Health Resources Section:

- Promoted development of four Federally Qualified Health Centers in nine communities to help maintain health care infrastructure and promote access to funding sources.
- Placed 25 foreign doctors and three dentists in North Dakota communities.
- Awarded \$5,500 matching grants to each of 72 long-term care facilities to promote nursing education, for a total of \$396,000 to date.
- Participated in awarding \$650,000 in Blue Cross Blue Shield grants and about \$900,000 in federal Medicare Rural Hospital Flexibility Grants to local health-care providers to improve rural health-care services.
- Initiated procedures to bring the Department of Health into compliance with the Health Insurance Portability and Accountability Act (HIPAA).

You may know that the Department of Health and the health-care providers have some mutual frustrations regarding providers' compliance with Life Safety Codes. The interim Budget Committee on Health Care chaired by Senator Judy Lee reviewed this

issue. On September 16, 2004, Senator Bob Stenehjem directed the Department of Health to review the process and provide options to the 2005 Legislative Assembly to ensure compliance with the Life Safety Code upon completion of a construction project. We were advised by the Legislative Council office that we were to report this information to the legislative appropriations committees.

The Department of Health organized an ad hoc work group to review this issue during November and December of 2004. The group included representatives from the long term care and hospital associations and providers, the Department of Health, and the Department of Commerce, as well as the State Fire Marshal, an architect from the Office of Management and Budget, and Representative Gary Kreidt.

Using information, input and advice from all the individuals in the group, the following three recommendations emerged:

1. All facilities should include language in their contracts with the architects requiring the architect to conduct a final Life Safety Code inspection at the end of the project and prior to final payment to contractors. Cost for this will be included in the facility's contract with the architect and paid for by the facility.
2. The Department of Health will work to ensure that architects have access to appropriate training on Life Safety Code.
3. Once identified, the Department of Health will attempt to work with the federal government to change requirements that seem to be inappropriate. Issues can be identified at the Long Term Care Advisory Committee and discussed as to the appropriateness and feasibility of attempting to request a change.

It was agreed by all attending that these recommendations should improve compliance with the Life Safety Code upon completion of construction projects. The department will continue to monitor the issue.

Health Resources Section Budget

The major expenditures in the Health Resource Section are as follows:

| | |
|---------------------------------|------------------|
| Salaries and Wages for 54.5 FTE | 5,530,409 |
| Travel | 648,891 |
| Remaining Operating Expenses | 803,638 |
| Dentist Loan Repayment Grants | 420,000 |
| Physician Loan Repayment Grants | 375,000 |
| Nurse Scholarship Grants | 489,500 |
| Local Ambulance Grants | 940,000 |
| Quick Response Unit Grants | 225,000 |
| Misc. Grant Payments | 126,910 |
| Total Budget | <u>9,559,348</u> |

The funding sources for Health Resource Section are as follows:

| | |
|--|------------------------|
| General | 2,608,035 |
| Federal (Mostly Medicaid and Medicare) | 5,485,567 |
| Other | |
| Health Care Trust Fund | 714,500 |
| Community Health Trust Fund | 420,000 |
| Miscellaneous Fees | 331,246 |
| Total Budget | <hr/> 9,559,348 |

Environmental Health Section

Dave Glatt is the Section Chief of the Environmental Health Section. The Environmental Health Section safeguards the quality of North Dakota's air, land and water resources. The section deals with issues that affect the comfort, health, safety and well-being of North Dakota citizens and their environment. Primary functions and responsibilities of the section include coordinating communication with the U.S. Environmental Protection Agency regarding state programs and related environmental issues; monitoring and enforcing compliance with state and federal environmental laws; carrying out environmental sample collection and analyses; and providing public education, technical assistance and training, contaminant remediation and emergency response.

The section consists of the following divisions: Air Quality, Chemistry, Municipal Facilities, Waste Management and Water Quality.

Division of Air Quality

The Division of Air Quality includes the following programs:

- The Air Quality Program focuses on achieving and maintaining the best air quality possible consistent with federal and state regulations. The program emphasizes inspection, public education, permitting, enforcement, monitoring and modeling programs to ensure compliance. Implementation of best available control technology for emission sources ensures protection of public and environmental health, as well as public enjoyment of the natural attractions of North Dakota.
- The Radiation Program tracks the use of radiation sources (such as X-rays and research radiation sources) to ensure the proper handling, use and disposal of radiation sources.
- The Asbestos and Lead Abatement programs provide training and certification, inspection, enforcement, and technical assistance to ensure the safe handling and disposal of lead and asbestos with the intent of limiting exposure to the public and employees.
- The Indoor Air Quality Program provides assistance to the public concerning indoor air quality, including mold and property affected by flooding.

Division of Chemistry

The Division of Chemistry provides state agencies and the general public with analysis of environmental samples, while ensuring that the data generated is scientifically valid, defensible and of known precision and accuracy. The laboratory is certified by the U.S. Environmental Protection Agency to complete public drinking water supply analyses required by the federally mandated Safe Drinking Water Act. In addition, the laboratory maintains a program designed to provide certification to qualifying laboratories that conduct analyses for public water supply systems in accordance with the Safe Drinking

Water Act and for specific environmental analyses as required by the department. The laboratory has established competency in inorganic and organic analyses, feed and fertilizer quality determination, and petroleum product quality control.

Division of Municipal Facilities

The Division of Municipal Facilities works to ensure that all North Dakota public water systems provide safe drinking water and meet all enforceable standards established under the Safe Drinking Water Act (Safe Drinking Water Program). This is accomplished through technical assistance, monitoring of drinking water, routine inspections and operator training, including the following programs:

- The Clean Water State Revolving Loan Fund Program provides low-interest loans to fund conventional wastewater and nonpoint source pollution control needs.
- The Drinking Water State Revolving Loan Fund provides low-interest loans intended to fund the construction and upgrading of public drinking water supply systems.
- The Operator Training Program trains and certifies operators in charge of public wastewater systems that serve more than 500 people and public water systems that serve more than 25 people. In addition, the program inspects these systems to ensure compliance with state and federal public health standards.

Division of Waste Management

The Division of Waste Management works to protect our environment from unsafe and improper handling, transportation, storage, treatment, and disposal of solid and hazardous waste.

The Division of Waste Management includes the following programs:

- The Hazardous Waste Program regulates facilities that generate, store, treat, dispose of and transport hazardous waste. This is accomplished through inspections, technical assistance, enforcement and public education programs. The Polychlorinated Biphenyls (PCB) Inspection Program conducts inspections at facilities known or suspected to have equipment that contains PCBs.
- The Solid Waste Program regulates the collection, transportation, storage and disposal of inert, industrial, special and municipal solid wastes. This is accomplished through a landfill permit program, technical assistance, routine inspection, monitoring, enforcement and operator training. The program also promotes resource recovery and recycling through its Pollution Prevention Program.
- The Abandoned Motor Vehicle Program provides for the collection of abandoned motor vehicles and other scrap metals throughout the countryside to reduce health and safety hazards, improve the appearance of the landscape and recycle useful metals.

- The Underground Storage Tank Program defines the types of tanks that may be installed to store petroleum products and chemicals, establishes standards for underground storage tanks, maintains a tank notification program, establishes financial responsibility requirements for tank owners, and provides state inspection and enforcement. In circumstances where environmental contamination occurs and a responsible party cannot be found or is financially unable to initiate a clean-up action, the Leaking Underground Storage Tank (LUST) Trust Program provides financial and technical assistance in the assessment, monitoring and, if needed, remediation of these sites to limit their overall impact on the public and environmental health.

The Division of Waste Management also administers and enforces the Petroleum Testing, Antifreeze and Brownfield programs.

Division of Water Quality

The Division of Water Quality is responsible for monitoring the quality of the state's lakes, rivers and groundwater. This division conducts permitting, assessment, monitoring, emergency response, remediation and educational programs that promote the protection and wise use of our water resources.

The division consists of the following programs:

- The Pollutant Discharge Elimination System Permit Program issues permits for municipal and industrial wastewater discharge and storm water runoff. Included within this program are the Animal Waste Containment (Feedlot) Program and the Industrial Pretreatment Program, which requires that industrial discharges to municipal systems be within capacity limits.
- The Surface Water Program monitors surface water quality across North Dakota to assess water quality trends and to determine the general chemical and biological character of the state's major hydrologic basins. The Nonpoint Source Pollution Management (or Section 319) Program, which is part of the Surface Water Program, provides financial support through the administration of federal grants to state and local groups working to control nonpoint source pollution.
- The Groundwater Program works to minimize and control groundwater contamination. Included in this program are the Source Water, Wellhead Protection and Underground Injection Control programs.
 - The Source Water and Wellhead Protection programs protect drinking water resources by addressing the link between land use and surface and groundwater quality.
 - The Underground Injection Control Program seeks to prevent contamination of underground drinking water by injection wells (such as domestic or industrial wastewater disposal wells).

Environmental Health Section Budget

The major expenditures in the Environmental Health Section are as follows:

| | |
|---|-------------------|
| Salaries and Wages for 136 FTE | 14,569,461 |
| Travel | 753,868 |
| Rent/Building | 655,587 |
| Professional Services (Legal & LUST contracts) | 3,467,311 |
| Laboratory Supplies (Chem Lab) | 361,642 |
| Remaining Operating Expenses | 2,100,774 |
| Equipment over \$5,000 (Air Pollution & Chem Lab) | 393,200 |
| Bond Payments | 394,004 |
| Grants to Communities (Mostly Nonpoint Source) | 11,228,500 |
| Total Budget | 33,924,347 |

The funding sources for the Environmental Health Section are as follows:

| | |
|-----------------------------|-------------------|
| General | 4,216,019 |
| Federal | |
| EPA Block | 7,956,458 |
| Section 319 Nonpoint | 10,995,539 |
| Various Others | 5,822,553 |
| Other | |
| Air Contaminant Permit Fees | 3,045,000 |
| Miscellaneous Fees | 1,888,778 |
| Total Budget | 33,924,347 |

The department has been notified that \$50,000 from the Environmental Rangeland Protection Fund that was to be granted to the Stockmen's Association is not available. Without that funding source, the department will not be able to make the grant to the Stockmen's Association.

Continuing Appropriations

The Department of Health currently has three continuing appropriations.

Environmental Quality Restoration Fund (EQRF): This fund was established to allow the department to provide immediate and timely response to catastrophic events that threaten the public and environment health and where the responsible party is late in responding or cannot be located. The EQRF would be used to provide environmental and public health protection by funding emergency response activities to include assessment, containment, removal, corrective action or monitoring as determined on a case-by-case basis. These funds are needed in order to provide a quick response to an environmental emergency.

Organ Tissue Transplant Fund: This fund was established to provide financial assistance to organ or tissue transplant patients who are residents of this state and demonstrate financial need. The State Health Officer is responsible for adopting rules and administering the fund, and the North Dakota Tax Department collects the funds.

Local Public Health Vaccine Purchases: During the 2003 legislative session, the department was provided a continuing appropriation for joint purchases with local public health units. The Division of Disease Control encounters situations where vaccinations or other medical supplies can be purchased at a lower price through the Department of Health than by the individual local public health units. This authority allows us to be reimbursed by local public health units for such purchases and to achieve cost savings for the benefit of local public health units.

The following schedule details our continuing appropriations and related fund statements from the 1999-01 biennium forward.

| | NDCC 23-31-02 #258 Environmental Quality Restoration Fund | NDCC 23-01-05.1 #257 Organ Tissue Transplant Fund | NDCC 23-01-28 #370 Local Public Health Unit Vaccine Purchase |
|------------------------------|--|--|---|
| 7-01-99 Balance | 329,072 | 0 | 0 |
| 99-01 Revenue | 9,208 | 31,989 | 0 |
| 99-01 Expenditures | 0 | 31,989 | 0 |
| 7-01-01 Balance | 338,280 | 0 | 0 |
| 01-03 Revenue | 0 | 30,746 | 0 |
| 01-03 Expenditures | 0 | 30,746 | 0 |
| 7-01-03 Balance | 338,280 | 0 | 0 |
| 03-05 Projected Revenue | | 30,746 | 30,000 |
| 03-05 Projected Expenditures | 35,000 | 30,746 | 30,000 |
| 7-01-05 Projected Balance | 303,280 | 0 | 0 |
| 05-07 Projected Revenue | 0 | 30,746 | 50,000 |
| 05-07 Projected Expenditures | 0 | 30,746 | 50,000 |
| 7-01-07 Projected Balance | 303,280 | 0 | 0 |

Conclusion

Chairman Holmberg, members of the Committee, this concludes the department's testimony on Senate Bill 2004. Thank you for your consideration of our request. Our staff is available to respond to any questions you may have.

Appendix

- 1) *Healthy North Dakota Overview*
- 2) *Healthy North Dakota Highlights*
 - a. Smoking
 - b. Diabetes